

04- R -2084

Municipal Clerk
Atlanta, Georgia

**A RESOLUTION
BY: COMMUNITY DEVELOPMENT AND HUMAN RESOURCES
COMMITTEE**

A RESOLUTION TO AMEND THE MECHANICSVILLE REDEVELOPMENT PLAN IN ACCORDANCE WITH THE STATE REDEVELOPMENT LAW, O.C.G.A., SECTION 36-44-7, FOR THE PURPOSE OF ADDING THE BLOCK 85 PROJECT INTO THE HOUSING DEVELOPMENT SECTION OF THE REDEVELOPMENT PLAN; AND FOR OTHER PURPOSES.

WHEREAS, the Mechanicsville Redevelopment Plan was adopted by the City Council on June 19, 1995 and approved by the Mayor on June 25, 1995 by Resolution 95-R-0854; and

WHEREAS, the Mechanicsville Redevelopment Plan set forth a vision and a plan for the revitalization of the Mechanicsville community; and

WHEREAS, the State Redevelopment Law does allow local governments to amend Redevelopment Plans when the need so arises; and

WHEREAS, the Mechanicsville community has identified a housing project opportunity bounded by Crumley Street to the north, Whitehall Terrace to the east, Glenn Street to the south, and Ira Street to the west which has come to be know as Block 85 (Exhibit I); and

WHEREAS, the proposed Block 85 project requires amendment into the Mechanicsville Redevelopment Plan so that the project can be incorporated into the City's Comprehensive Development Plan (CDP).

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, RESOLVES AS FOLLOWS:

SECTION 1: That the Mechanicsville Redevelopment Plan approved by the Atlanta City Council on June 19, 1995 and approved by the Mayor on June 25, 1995, be and is hereby amended to add the Block 85 project, said project map and description which is attached hereto as Attachment I.

A true copy,

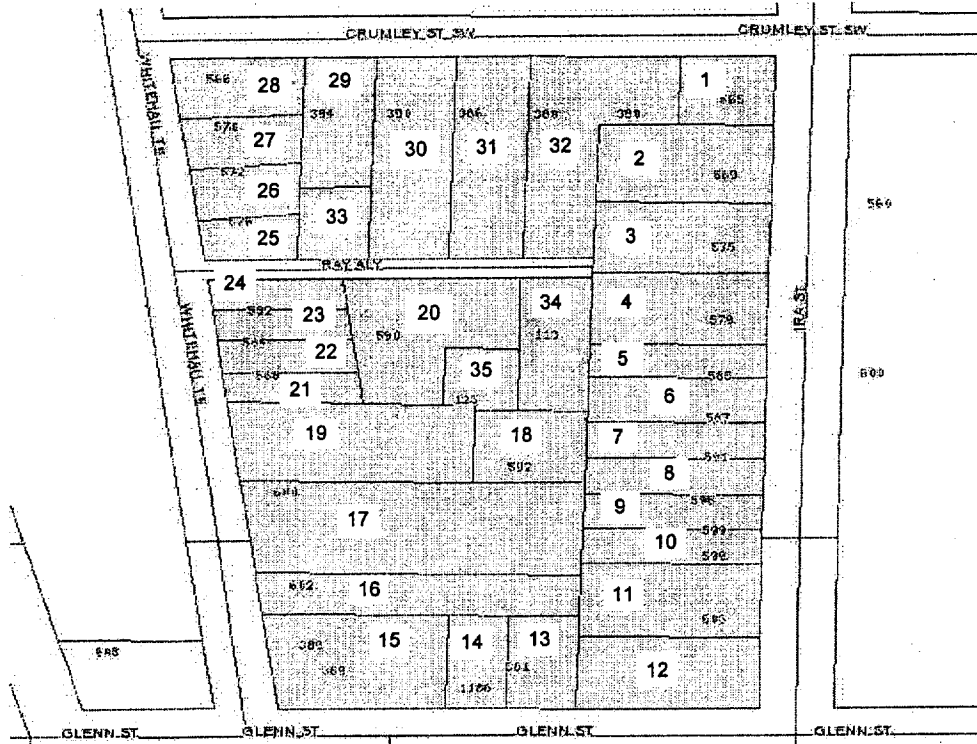
Rhonda Daughin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

DEC 06, 2004
DEC 10, 2004

ATTACHMENT I

Block 85
Redevelopment Plan



Property Identification Map

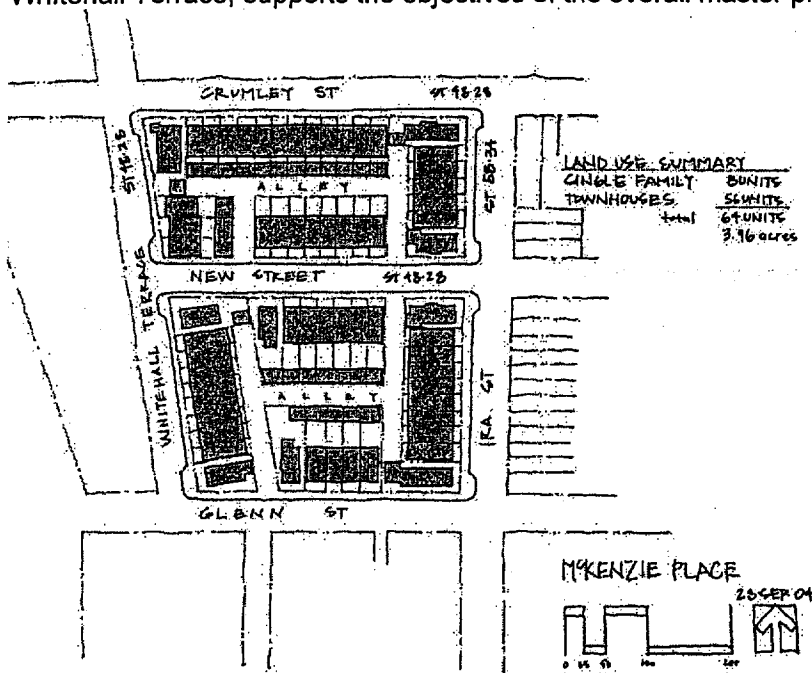


Proposed Development Plan

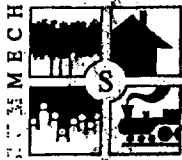
Project Concept

The preliminary site plan indicated below was prepared by Tunnell-Spangler-Walsh, the master planners for the McDaniel Glen Hope VI project. The objective for the site plan design, as set by the proposed development entity, is to maximize density on the site through the provision of townhouse and single family units in a character consistent with the overall Hope VI master plan.

The site plan includes 56 townhomes and 8 single family detached lots. Typical townhome lots are 20 feet wide and 70 feet deep. Single family home lots, which occur primarily on street corners, are typically 35+ feet wide and 90 feet deep. Consistent with the overall master planning approach, each parcel is adjacent to an alleyway; all garage or carport access is to occur at the rear of the units. A new street, which begins at a planned town square to the north and bisects the site north/south between Ira Street and Whitehall Terrace, supports the objectives of the overall master plan.



As presented, the average size for the 56 townhome units is 1,600 SF of heated space. Each unit would have a single car garage. The 8 single family houses would average 2,050 SF of living space and would have a 2 car garage. Based upon our preliminary development budget, the average sale price for a townhome unit is \$214,000 the average single family home would cost \$325,000. The preliminary information also indicates that affordable townhomes will be priced at \$163,000 and affordable single family homes at \$259,000.



Proposed Development Plan

Proposed Development Budget and Capital Structure

The preliminary development budget projects a total cost of \$14.58 million for the McKenzie Place project. Sixty-eight percent of the total, or slightly more than \$10 million, is for hard costs – or those associated with land acquisition and related activities, site development, and new construction. Soft costs comprise roughly 12% of the project budget and include a \$50,000 relocation line item. Developer's fees and financing cost combine to make up the remaining 19% of the project budget.

Significant inputs effecting the total development cost (TDC) include land acquisition estimated at \$1.4 million, construction cost estimated at \$65 to \$68 per SF, developer's (12%) and administrative management fees (4%) totaling 16% of TDC, site development estimated at \$50,000/acre, and architecture and engineering at 5% of construction cost.

The proposed capital structure, as outlined in the Sources and Uses of Funds statement, calls for an \$11 million construction loan, City EDI investment totaling \$325,000, City HOME/CDBG funding of \$675,000, and the use of \$2.5 million in sales proceeds to finance project cost. The construction loan is planned to repay a \$1.6 million acquisition and pre-development loan (A&P Loan) from The Enterprise Foundation. Due to anticipated land acquisition costs, which for some parcels may exceed appraised value, we anticipate loan to value (LTV) challenges associating with gaining approval for the A&P Loan. Discussions have begun with the City of Atlanta exploring the possible use of Mechanicsville Section 108 funds to guarantee the acquisition and pre-development debt; this strategy would reduce the lender's risk associated with LTV and make approval of the loan easier.

Preliminary Sources and Uses of Funds

Uses of Funds

Land Acquisition	\$1,400,950
New Construction	\$7,299,200
Site Development	\$197,700
Other Hard Costs	\$1,083,250
Soft Costs	\$1,817,338
Fees	\$2,011,245
Financing	\$771,845
Total Development Cost	\$14,581,529

Sources of Funds

Construction Loan	\$11,023,568	Proposed
City of Atlanta - EDI	\$325,000	Committed
City of Atlanta HOME/CDBG	\$675,000	Proposed
Sales Proceeds	\$2,557,961	
Total Sources of Funds	\$14,581,529	

RCS# 6311
12/06/04
5:21 PM

Atlanta City Council

Regular Session

CONSENT I CONSENT I PG(S) 5-25 EXCEPT 04-O-2102
 04-R-2231 04-R-2224 04-R-2203
 ADOPT

YEAS: 13
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 3
EXCUSED: 0
ABSENT 0

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Starnes	Y Fauver	Y Martin	NV Norwood
Y Young	Y Shook	Y Maddox	NV Willis
Y Winslow	Y Muller	Y Sheperd	NV Borders

CONSENT I

			12-06-04 Council Meeting
ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT
1. 04-O-2043	42. 04-R-2128	83. 04-R-2186	104. 04-O-1989
2. 04-O-2044	43. 04-R-2129	84. 04-R-2187	105. 04-O-1990
3. 04-O-2045	44. 04-R-2130	85. 04-R-2188	106. 04-O-1991
4. 04-O-2046	45. 04-R-2131	86. 04-R-2189	107. 04-O-1992
5. 04-O-2098	46. 04-R-2132	87. 04-R-2199	108. 04-O-1993
6. 04-O-2099	47. 04-R-2209	88. 04-R-2200	109. 04-O-1994
7. 04-O-2100	48. 04-R-2210	89. 04-R-2201	110. 04-O-1995
8. 04-O-2110	49. 04-R-2211	Items	111. 04-O-1996
9. 04-O-2115	50. 04-R-2212	Adversed on	112. 04-O-1997
10. 04-O-1434	51. 04-R-2214	Consent	113. 04-O-2054
11. 04-O-1927	52. 04-R-2215	90. 04-R-2178	114. 04-O-2055
12. 04-O-1120	53. 04-R-2084	91. 04-R-2179	115. 04-O-2057
13. 04-O-1972	54. 04-R-2150	92. 04-R-2180	116. 04-O-2059
14. 04-O-2047	55. 04-R-2151	93. 04-R-2181	117. 04-O-2116
15. 04-O-0649	56. 04-R-2152	94. 04-R-2182	118. 03-R-1387
16. 04-O-1753	57. 04-R-2155	95. 04-R-2183	119. 04-R-2120
17. 04-O-1802	58. 04-R-2133	96. 04-R-2184	120. 04-R-2136
18. 04-O-1823	59. 04-R-2134	97. 04-R-2190	121. 04-R-2137
19. 04-O-2050	60. 04-R-2202	98. 04-R-2191	122. 04-R-2140
20. 04-O-2051	61. 04-R-2205	99. 04-R-2192	123. 04-R-2141
21. 04-O-2052	62. 04-R-2206	100. 04-R-2193	124. 04-R-2142
22. 04-O-2053	63. 04-R-2158	101. 04-R-2194	125. 04-R-2143
23. 04-O-2061	64. 04-R-2159	102. 04-R-2195	126. 04-R-2144
24. 04-O-2086	65. 04-R-2160	103. 04-R-2196	127. 04-R-2216
25. 04-O-2087	66. 04-R-2161		128. 04-R-2220
26. 04-O-2021	67. 04-R-2162		129. 04-R-2221
27. 04-O-2049	68. 04-R-2163		
28. 04-R-2145	69. 04-R-2164		
29. 04-R-2146	70. 04-R-2165		
30. 04-R-2147	71. 04-R-2166		
31. 04-R-2148	72. 04-R-2167		
32. 04-R-2149	73. 04-R-2168		
33. 04-R-2204	74. 04-R-2169		
34. 04-R-1970	75. 04-R-2170		
35. 04-R-2121	76. 04-R-2171		
36. 04-R-2122	77. 04-R-2172		
37. 04-R-2123	78. 04-R-2173		
38. 04-R-2124	79. 04-R-2174		
39. 04-R-2125	80. 04-R-2175		
40. 04-R-2126	81. 04-R-2176		
41. 04-R-2127	82. 04-R-2177		

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PURPOSES.

ADOPTED BY

DEC 06 2004

COUNCIL

- ☐ CONSENT REFER
☐ REGULAR REPORT REFER
☐ ADVERTISE & REFER
☐ 1st ADOPT 2nd READ & REFER
☐ PERSONAL PAPER REFER

Date Referred
Referred To:
Date Referred
Referred To:
Date Referred
Referred To:
Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

Committee

Date *11/11/04*
Chair *[Signature]*

Action
Fav, Adv, Hold (see rev. side)
Other _____

Members

Refer To

Committee

Date *11/11/04*

Chair

Action
Fav, Adv, Hold (see rev. side)
Other _____

Members

Refer To

Committee

Date _____
Chair _____

Action
Fav, Adv, Hold (see rev. side)
Other _____

Members

Refer To

Committee

Date _____

Chair

Action
Fav, Adv, Hold (see rev. side)
Other _____

Members

Refer To

FINAL COUNCIL ACTION

- ☐ 2nd ☐ 1st & 2nd ☐ 3rd
☒ Consent ☐ V Vote ☒ RC Vote

CERTIFIED

DEC 06 2004

COMMUNITY DEVELOPMENT AND HUMAN
RESOURCES COMMITTEE

MAYOR'S ACTION

[Signature]
DEC 10 2004